

EXHIBIT O

Andrew Curran

From: Kaounis, Angelique [AKaounis@gibsondunn.com]
Sent: Friday, September 07, 2007 2:22 PM
To: Katherine Weall
Cc: Raines, Eric
Subject: RE: IBM v. PSI - Proposed Letter Agreement Protecting HP's Documents

Hi Katherine,

Thank you for the email. I have had an opportunity to speak with HP and the company's positions are as follows.

With respect to the provision concerning the use of HP's documents at a hearing or trial, we'd like to suggest a compromise whereby, upon receiving notice of IBM's intent to introduce protected documents, HP would have 2 days to meet and confer with IBM, and then HP would have five business days to seek an order precluding introduction of the documents. All parties would agree to have the disputes heard telephonically in the Northern District of California (assuming the Court would do this). Please let me know if this will work for IBM, or if you would like me to take the 3 + 3 day proposal back to HP.

With respect to the outside counsel's eyes only provision, HP would agree to produce the documents under two conditions: 1) that no IBM in-house counsel (or other personnel) would be able to view the documents marked for outside counsel's eyes only pending a court order or agreement between the parties to the contrary, and 2) that in the event that IBM decides to seek a court order as to certain items, its request would be limited to showing the materials to only one in-house lawyer, who would not be a member of the Intellectual Property division and would sign an agreement not to reveal any information gleaned from the documents with any other IBM employee.

Additionally, we agreed to table the provisions relating to the format in which source code might be produced, as HP does not intend to produce source code.

As to the cost-sharing agreement, HP's processing costs are as follows:
\$499 for the electronic conversion;
.04 per page for processing of the tiff images;
.02 per page for production of the images;
\$59 production preparation charge (we did two productions).

I believe there are also some additional costs associated with running privilege queries, so I will get back to you on that. As I mentioned, HP would like IBM and PSI to split the costs of production. I will find out our total numbers and get back to you as soon as I can.

In the meantime, please let me know your client's thoughts with regard to the other items above.

Thanks very much,
Angelique

From: Katherine Weall [mailto:KatherineWeall@QuinnEmanuel.com]
Sent: Thursday, September 06, 2007 8:59 AM
To: Kaounis, Angelique; Raines, Eric
Cc: Richard Erwine

Subject: IBM v. PSI - Proposed Letter Agreement Protecting HP's Documents

Angelique, Eric,

Have you been able to get feedback from your client regarding the proposed amendments to the Letter Agreement that we discussed last week?

My client has indicated that most of them are acceptable to IBM. He has asked that the provision concerning use of H-P's documents at a hearing or trial, whereby a certain period of time is built in to the agreement allowing H-P to meet and confer and/or seek a court order protecting those documents, be reduced somewhat, to a three day meet-and-confer upon notice of the use of the documents, and a three day period following termination of negotiations for H-P to seek a court order.

Please let me know whether this revision is acceptable to H-P, and where H-P stands on the rest of the proposed terms.

Best regards,

Katherine

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"MMS <Gibsondunn.net>" made the following annotations.

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